

STATE OF CALIFORNIA

MEETING OF THE

CALIFORNIA INSPECTION & MAINTENANCE REVIEW

COMMITTEE

Tuesday, September 27, 2005

California Air Resources Board

1001 I Street, Coastal Hearing Room

Sacramento, California



Northern California Court

Reporters

3610 American River Drive, Suite 114 Sacramento, CA 95864-5922
(916) 485-4949 Toll Free (888) 600-NCCR Fax (916) 485-1735

MEMBERS PRESENT:

JUDITH LAMARE, ACTING CHAIR
PAUL ARNEY
JOHN HISSERICH
ROGER NICKEY
ROBERT PEARMAN
JEFFREY WILLIAMS

MEMBERS ABSENT:

VICTOR WEISSER, CHAIR
TYRONE BUCKLEY
DENNIS DeCOTA
CHUCK FRYXELL
BRUCE HOTCHKISS
GIDEON KRACOV

ALSO PRESENT:

ROCKY CARLISLE, Executive Officer
JANET BAKER, Administrative Staff

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P R O C E E D I N G S

CHAIR LAMARE: Good morning. This is the September 27th meeting of the California Inspection and Maintenance Review Committee. Welcome everyone here at the Cal/EPA headquarters in beautiful downtown Sacramento. Welcome everyone on the webcast, and I believe we have a conference call set up, Rocky?

MR. CARLISLE: We do. If somebody wants to call in with a teleconference, the telephone number is 866-819-0734 and enter the pass code 912774, but please wait until the chair recognizes you because there may be other people speaking.

CHAIR LAMARE: So let's repeat the numbers for
participating by phone.

MR. CARLISLE: It's 866-819-0734. The pass code is 912774.

CHAIR LAMARE: And then, don't we have a procedure for people to email in comments or questions?

MR. CARLISLE: We do. They can. The easiest way is to email imreview@dca.ca.gov - I'm sorry, that's IMRC@dca.ca.gov and in the subject line please put *IMRC meeting*. That way, we'll recognize it is a question for the Committee.

CHAIR LAMARE: So that's IMRC@dca.ca.gov.

1 MR. CARLISLE: Correct.

2 CHAIR LAMARE: For email comments or questions,
3 and please put *IMRC meeting* in the subject line so it's
4 tagged for the meeting.

5 First, we're going to call the roll and recognize
6 those members who are present starting with Paul Arney.
7 And let me interrupt you, Paul. Members, please identify
8 yourself and your affiliation who appointed you, and
9 welcome, Paul.
10

11 MEMBER ARNEY: Thank you. I was appointed by
12 Governor Gray Davis and I work for the Assembly Majority
13 Leader Dario Frommer.

14 CHAIR LAMARE: And that's Paul Arney, thanks.
15 And Roger. And Roger, when you speak you want to hit this
16 button and get a green light.

17 MEMBER NICKEY: Oh, I get a lesson. Okay. I was
18 appointed by the Governor, I'm Roger Nickey. I own Folsom
19 Quick Smog, a test-only facility in Folsom.

20 CHAIR LAMARE: Thank you, Roger. And I'm Judith
21 Lamare and I was appointed by the Senate Rules Committee
22 and I'm an environmental member of the Committee. Jeffrey?

23 MEMBER WILLIAMS: I'm Jeffrey Williams. I was
24 appointed by Governor Davis. I'm the social scientist on
25 the Committee. I'm a professor at U.C. Davis.

1 MEMBER HISSERICH: I'm John Hisserich, appointed
2 by Governor Davis. Work for the University of Southern
3 California and a public member.

4 CHAIR LAMARE: Great. Thank you, everyone. We
5 are missing today Bob Pearman, who we're expecting to
6 arrive in a few moments, and I would like to recognize the
7 absence of six of our members today, which renders us
8 without a quorum so we will not be taking any actions but
9 we will continue the meeting for information items. And
10 for all those who will be reading the transcript because
11 they were not here, we do miss you and hope to see you
12 again very soon.

13
14 Our Chair, Vic Weisser; Chuck Fryxell, who is a
15 new member just appointed who is air pollution control
16 officer in Mojave Air Pollution Control District; Gideon
17 Kracov, Bruce Hotchkiss, Tyrone Buckley and Dennis DeCota
18 all were not able to be here today, so this will be in the
19 nature of an informational meeting; however, all the
20 missing members will read the transcript as I did because I
21 was absent at our last meeting.

22 I would like to ask the members to review the
23 summary of this meeting and let the executive officer know
24 outside the meeting if there's something that you think is
25 missing or needs correction. We'll return to that item

1 when we have a quorum. Since I wasn't at that meeting, I
2 can't really comment on the summary.

3 One thing I do know was I was absent from the
4 meeting, I was therefore elected to chair this meeting, so
5 thank you very much, guys, for this honor, I'm enjoying it
6 very much. Always wanted to chair the IMRC.

7 Now, our public participation process here in the
8 Cal/EPA building is that each speaker will have, each
9 public speaker will have three minutes, and so we will
10 entertain public comment after each important item and call
11 on you individually for your three minutes, and if you
12 still have more that you need to say, you can return after
13 everyone else has spoken. Nevertheless, because of the
14 lack of quorum, we're anticipating that we will probably
15 finish the meeting before lunch, and so since there's no
16 action items I'm not sure there's an urgent need for a lot
17 of testimony, but we are here to hear information and to
18 learn more about the Smog Check Program and how it's
19 working, so public comment is always welcome.

20 Now I would like to introduce a new member. We
21 are very pleased that the Governor has appointed two new
22 members to the Committee, and we have one here today, Mr.
23 Roger Nickey, and Mr. Nickey has a long history with the
24 Smog Check Program. He's very knowledgeable from the
25

1 industry side and presently is operating a test-only
2 station in this county, so I'm happy to have another member
3 from my county and I am very pleased that we're able to add
4 to the industry members of our panel, and I ask Mr. Nickey
5 if he would just speak briefly about his background, his
6 interest in the Committee and why he's here.

7 Roger?

8 MEMBER NICKEY: I got interested in the Committee
9 because test-only is a large component of the Smog Check
10 Program and I just felt that our side didn't get much
11 input, and so one of the reasons I'm here is to try and
12 help everyone understand what it's like out there on the
13 test-only side of the smog program.

14 CHAIR LAMARE: Thank you.

15 - oOo -

16 Now we will turn to our executive director for
17 his activity report.

18 MR. CARLISLE: Thank you, Madam Chair. Last
19 month has not been as busy as some. I did take a little
20 over a week vacation, went to Yellowstone, so that was a
21 nice break. But by way of official business, I spent some
22 time processing paperwork, of course, for the new Committee
23 members. Both have now been sworn in, taken their oath of
24 office.
25

1 Last month Mr. DeCota brought up the issue of an
2 impact study, an economic impact study for the Smog Check
3 Program specifically to look at the impact it has on Smog
4 Check stations, and we met and discussed the issues. Next
5 month I would like to see if we could put that on our list
6 of projects and maybe assign a subcommittee. We haven't
7 assigned anybody to that yet, but I think it does have
8 merit because when you look at the Smog Check Program,
9 while it's a government program, the government relies
10 solely on the private industry to administer that program.
11 Without the industry we really don't have a program unless
12 you start with a contract and start anew, so I think it's
13 worth looking at and studying, like I say, the economic
14 impact.

16 We're also continuing with the preconditioning
17 survey of Smog Check stations. To date we've completed 260
18 surveys. And it's a little bit frustrating. It's nobody's
19 fault, it's just the nature of the beast, because we did
20 select high volume stations. As a result, when we call
21 these stations, many times they're busy and we certainly
22 don't want to keep them away from their business so we
23 offer to call them back. And while we're shooting for
24 about 20 surveys completed per day, we're actually making
25 anywhere from 40 to 60 calls per day to get that number

1 completed, but we have completed 260. I was hoping to have
2 it all done by the end of this month. It's a little
3 questionable whether I'll meet that goal, but it will be
4 shortly thereafter.

5 One of the things that's come to light as I've
6 listened to Janet speak to some of these shop owners is
7 there's a lot of misinformation about preconditioning and
8 proper warm-up. Many shop owners or technicians feel it's
9 against the law to precondition, some use a three-minute
10 preconditioning at 2500 rpm, some of them drive it around
11 the block at 900 miles an hour a couple of times to get it
12 good and hot; there's just all types of preconditioning
13 going on, and so it really does point to some
14 inconsistencies, if you will, for the first portion of the
15 test.
16

17 In addition, last month the Committee did adopt a
18 motion to hire Steve Gould as a consultant. I notified
19 Steve of that decision and he will start on October 1st.

20 The Committee also had a number of requests from
21 the last meeting. One of them, for example, was the
22 analysis of minimum repair costs as compared to the average
23 repair cost in California and other states. I will put
24 that together and see if we can assign a subcommittee to
25 assist with that.

1 There were other questions with regard to the
2 state comparison. For example, do other states have test-
3 and-repair and test-only similar to California? Do any
4 states fine motorists for failing to comply with I&M? Is
5 certification separate from the registration requirement?
6 Why doesn't California have a safety inspection? What is
7 the role of the community colleges in other states relative
8 to the referee system? And finally, do ROP programs have a
9 role in emissions training? And so what I'm going to do,
10 I'm in the process of creating a questionnaire I'm simply
11 going to mail out to all these administrators in the
12 various programs and see what information we can glean in
13 that manner.
14

15 Another issue, a new contract has been signed for
16 our transcription service, and I'd personally like to thank
17 Terri Harper of the Northern California Court Reporters.
18 Terri's been an invaluable asset. The two years that I've
19 been here, we've had on occasion problems with the
20 recordings. We had a new recording system for awhile and
21 we would have drop-out occasionally, and she's been just
22 tenacious about ensuring that we had a complete transcript.
23 When we've had audio recordings that were problematic,
24 she's gone to the video recordings to back up, and so she's
25 really been an invaluable asset. She will do this one last

1 meeting, which in this case will be short, but nevertheless
2 she will complete it, after which a company called Foothill
3 Transcription Company will take over, and they're located
4 in Shingle Springs.

5 And last but not least, I was notified the other
6 day that we have two new liaisons for the IMRC from the
7 Bureau of Automotive Repair, Mr. Alan Coppage from I&M
8 Enforcement and Marty Gunn from the Consumer Assistance
9 Program, so I'd like to welcome them, but at the same time
10 I'd like to thank Wayne Ramos for all his hard work,
11 because I know it's not easy when we come up with a lot of
12 different requests for information and different data from
13 the various entities at BAR, so it's a difficult task at
14 best and I want to thank you, Wayne, for all your hard work
15 and assistance with it.

17 And that, Madam Chair, concludes my report.

18 CHAIR LAMARE: Are there any questions from
19 members?

20 MEMBER WILLIAMS: I have one.

21 CHAIR LAMARE: Jeffrey?

22 MEMBER WILLIAMS: Do you think you'll have your
23 survey results at our October meeting or are you imagining
24 November for the preconditioning survey?
25

1 MR. CARLISLE: Oh, I'll have all of them done
2 before this next meeting, definitely. If it gets - it's
3 going to get to a point where I'm going to jump in and
4 start making telephone calls as well so we can conclude
5 this thing. It's taking longer. It's nobody's fault, like
6 I say, it's just, you know, it takes so many calls to get
7 one completed call.

8 CHAIR LAMARE: John?

9 MEMBER HISSERICH: Is Mr. Ramos not going to be a
10 liaison now or are we going to have three folks? Just out
11 of interest. Two? Okay. Just wondered. So you're -
12 thank you. You're not going to be coming regularly, I take
13 it; is that right?

14 MR. RAMOS: Right.

15 MEMBER HISSERICH: Okay.

16 MR. CARLISLE: Mr. Ramos was recently promoted
17 and he no longer works in the I&M section, so he works in
18 the consumer protection.

19 MEMBER HISSERICH: Thank you.

20 CHAIR LAMARE: Yes, Wayne, we're very grateful to
21 you for all the help you've given us and thank you for
22 being here.

23 MR. RAMOS: (Inaudible)

24

1 CHAIR LAMARE: Roger, when you want to speak,
2 it's the tradition here to put the microphone up so the
3 chair can see that.

4 Any other questions from members?

5 Rocky, you were going to give us a report on the
6 budget; however, as I recall, it was Robert Pearman who
7 made that request.

8 MR. CARLISLE: Correct.

9 CHAIR LAMARE: And I would prefer to put this
10 further down on the agenda when Bob gets here. After he
11 gets here we'll bring that up.
12

13 - oOo -

14 So let's move on to our BAR update, meet our new
15 liaisons and find out what's going on at BAR.

16 MR. RAMOS: Good morning, I'm Wayne Ramos. As
17 Rocky mentioned, this will be my last meeting with the
18 Inspection and Maintenance Review Committee. It's been a
19 complete honor to be able to interact between the IMRC and
20 the Bureau of Automotive Repair and acting as liaison, and
21 so I do appreciate that opportunity.

22 As Rocky had mentioned, the two new liaisons will
23 be Alan Copping who works in the Smog Check Enforcement and
24 Field Operations, that's Alan back here, and then Marty
25 Gunn who manages the Consumer Assistance Program. Both of

1 those individuals will be acting as the liaison between
2 IMRC and the Bureau of Automotive Repair.

3 There were a number of items during the last
4 meeting that the Bureau was asked to respond to. I'm
5 basically going to give you just two elements of those
6 responses then I'm going to turn it over to Marty and he'll
7 give you some of the questions that were raised regarding
8 the CAP program.

9 One of the elements was with respect to the
10 repair cost limit, there was some question as to our basis
11 for justifying our position and whether or not the cost
12 limit should be raised or whether it should remain where
13 it's at at the \$450 mark. We're currently conducting an
14 in-depth analysis as to whether or not there is
15 justification to increase that cost or not. Hopefully,
16 we'll have our analysis complete and be able to give a
17 report back to you in the October meeting, so that would
18 basically occur at that time.

19 The next element of the question was with respect
20 to the referee, there was some question as to the various
21 revisions in the fees associated with the inspections done
22 at the referee system. Basically, those fees were revised
23 pursuant to contract amendments associated between BAR and
24 the current referee contract, so that's the basis for that.
25

1 The next element is on the CAP program. Are
2 there any questions on those two sides of the - on the
3 repair cost limit or the referee?

4 CHAIR LAMARE: And the chair recognizes the
5 arrival of Committee Member Robert Pearman. Welcome, Bob.

6 Any questions so far? Well, I don't know who
7 raised the question about the referee, the fees and the
8 contract amendment.

9 MR. RAMOS: I believe you were absent at the last
10 meeting.

11 CHAIR LAMARE: I was absent at the last meeting,
12 so the person who raised that issue may not be present and
13 may need to follow up later.

14 MR. RAMOS: Okay. Okay. So at this time I'm
15 going to turn it over to Marty Gunn who will provide you
16 some of the responses to the questions that were raised
17 associated with the CAP program.

18 CHAIR LAMARE: Thank you.

19 MR. RAMOS: Thank you.

20 CHAIR LAMARE: Welcome, Marty.

21 MR. GUNN: Good morning, everyone, Madam
22 Chairperson and Committee Members. Good to see you again,
23 Roger, it's been a while. Very excited about being named
24 Colorado-liaison between BAR and the IMRC.
25

1 Now, following last month's presentation on the
2 Bureau of Automotive Repair's vehicle retirement program,
3 some of the Committee members had some questions, and I
4 will try to address those questions this morning.

5 First one was, what is the cost effectiveness of
6 CAP, its repair and its vehicle retirement option? The
7 overall cost effectiveness of both repair assistance and
8 vehicle retirement combined is \$8,505 per ton, and what I
9 should mention is that's only hydrocarbons and oxides of
10 nitrogen, it doesn't include carbon monoxide. To break
11 that down, repair assistance itself is \$11,736 per ton and
12 vehicle retirement is \$4,597 per ton.

13 There was a couple of questions on CAP's vehicle
14 retirement survey, the first one being, how many vehicles
15 will replace the vehicle they retire with a commuter
16 vehicle? Our survey didn't specifically ask that question.
17 It lists a whole slew of types of vehicles but not commuter
18 specifically, so we provided you with a copy of the survey
19 and from that you can probably glean the information you're
20 looking for.

21 The second part of the question for the vehicle
22 retirement survey is, when will it be complete and when
23 will it be reported to the Committee? Well, it's never
24 going to be complete, it's ongoing, but what BAR will do,
25

1 it will summarize the survey twice a year within the fiscal
2 parameters and make that summary available to the Committee
3 members. So we've provided you up to this point, I
4 believe, maybe through March of 2005. We'll complete our
5 analysis of the fiscal year and probably have that ready
6 for you folks next month.

7 Next question, why is CAP participation low and
8 how can we improve participation? Well, for the last two
9 fiscal years CAP has expended its entire repair assistance
10 budget. Right now, CAP is on track to expend its entire
11 vehicle retirement budget of \$16 million, and this is
12 compared to our last year's vehicle retirement, which we
13 spent the entire amount of \$4.9 million, so our
14 participation is in alignment with the funding.

15 And then finally, what steps is BAR taking to
16 expand consumer awareness of the repair assistance program
17 and the availability of Gold Shield stations? Well, maybe
18 you're aware, maybe you're not aware of the Breathe Easier
19 Campaign. There were television ads, radio ads, print
20 media ads. I'm not sure if they've concluded or if they're
21 ongoing at this point. I was unable to get that answer at
22 the end of yesterday's business day, but it was a pretty
23 big campaign.
24
25

1 We were just recently at the State Fair, we were
2 there for the entire duration of the State Fair and we are
3 there to promote the vehicle retirement program, so we had
4 a crusher there from one of our contractors and we crushed,
5 we did a vehicle crushing demonstration for the public
6 every day of the fair. It was pretty popular. We had
7 guest speakers and drew people in. It's quite a sight to
8 see.

9
10 We also recently got CAP information printed on
11 the back of all registration renewal notices sent from DMV
12 to people who need to renew their registration.
13 Previously, it was just an insert and now it's actually
14 printed on the registration renewal form itself on the back
15 of it.

16 And then finally, on every failed vehicle
17 inspection report there is information about CAP's repair
18 assistance and its vehicle retirement program.

19 And those are my questions. Do you guys have any
20 questions?

21 CHAIR LAMARE: Questions from the Committee?
22 John.

23 MEMBER HISSERICH: The \$16.4 million, I think you
24 said it was, how many vehicles - maybe you said this.

25 CHAIR LAMARE: John, is your mic on?

1 MEMBER HISSERICH: I'm sorry. Yeah, it is.

2 CHAIR LAMARE: Okay.

3 MEMBER HISSERICH: Maybe I'm not talking into it.

4 How many vehicles do we anticipate that being? You said

5 you're going to expend the full \$16 million, I think, for

6 the retirement program.

7 MR. GUNN: Yeah, I did. It's on that

8 presentation I gave last month.

9 MEMBER HISSERICH: Okay.

10 MR. GUNN: Which is on the IMRC's website. I

11 just didn't bring that number with me.

12 MEMBER HISSERICH: Okay.

13 CHAIR LAMARE: That's a good point. On the IMRC

14 website at presentations?

15 MR. CARLISLE: Correct.

16 CHAIR LAMARE: Or I think it's at presentations,

17 I'm not sure if it's at presentations or at the agenda for

18 last time, we have your PowerPoint with some information

19 about numbers in the CAP program.

20 I have a couple of questions. You mentioned CAP

21 is on track re retirement this year, but I know that we

22 budgeted a lot more for repair this year, at least that was

23 my memory, and are we on track to spend the repair money in

24 this budget year?

25

1 MR. GUNN: Yes. We received something like
2 \$12 million last year and we're going to get \$15 million
3 this year, and that's pretty much because it was hard to
4 keep it under \$12 million last year, so we anticipate
5 having to fit the people in we couldn't fit in last year
6 into this year's budget.

7 CHAIR LAMARE: Now, I notice that in Fresno the
8 Clean Air Now Campaign, the Bureau, community colleges, I
9 think, had an event recently promoting CAP assistance.
10 Could you speak to that a little bit?

11 MR. GUNN: Yeah, I know a little bit about that.
12 It was the Tune In and Tune Up Campaign. It's something
13 they hold every year. They test cars in some fashion and
14 they offer cars repair assistance, and that's not through
15 CAP, that's through (inaudible) and the Tune In and Tune Up
16 group. BAR was there with an informational booth and we
17 passed out applications to people who might also be
18 eligible for repair assistance because they're in their
19 biennial cycle and/or people who would be interested in the
20 vehicle retirement program.

21 CHAIR LAMARE: So is the Bureau willing to work
22 with community organizations that are promoting clean air
23 and auto maintenance?
24
25

1 MR. GUNN: Yes, we have a history of working with
2 community organizations such as Pacoima the Beautiful.
3 They do an event down south almost every year, and I know
4 I've been there for several years and other people from our
5 staff have been there. And then again with this Tune In
6 and Tune Up, and I believe there was another event out in
7 the Bay Area perhaps a year and a half, two years ago that
8 we participated in. So absolutely.

9
10 CHAIR LAMARE: And who do people contact if
11 they're interested in working with the Bureau on educating
12 the community about CAP assistance?

13 MR. GUNN: They can contact, you know, anybody in
14 the Bureau can put them in contact with CAP. It's probably
15 best to contact Michael Lafferty, and I don't have his
16 telephone number with me.

17 CHAIR LAMARE: Um-hmm.

18 MR. GUNN: But they can also call my desk, which
19 is 916 255-4574.

20 CHAIR LAMARE: 255 -

21 MR. GUNN: 4574.

22 CHAIR LAMARE: In the 916 area code?

23 MR. GUNN: Right.

24 CHAIR LAMARE: Thank you, Marty. Any other
25 questions? Do we want to have public comment on the CAP

1 program at this point, does anyone have a question or a
2 comment? Chris. On public comment, please state your name
3 first. Is our timer ready? Your name and affiliation
4 first, thank you.

5 MR. ERVINE: Chris Ervine, STARS, a coalition of
6 state test-and-repair stations. The only concern that I
7 have is that we're paying \$1,000 to crush vehicles, we're
8 paying \$500 to repair them. In many cases we're looking at
9 vehicles that need a catalytic converter to complete
10 repairs, and catalytic converters are quite expensive on
11 OBD II cars. We're looking at anywhere from \$800 to in
12 some cases \$3,000 for catalytic converters.

14 The option is, this vehicle is going to be
15 exempted and it's not going to be repaired and it's going
16 to emit high emissions until for another two years, or it's
17 going to be crushed for \$1,000. And we may have an
18 otherwise very sound vehicle here that is going to be
19 destroyed and they're going to have to try and replace this
20 vehicle for \$1,000 and they're not going to get anything
21 that's reliable or that's going to last emission-wise for
22 \$1,000.

23 CHAIR LAMARE: Thank you.
24
25

1 MR. ERVINE: I'd like to see in special instances
2 the repair cost limit raised for CAP so that some of these
3 things can be repaired.

4 CHAIR LAMARE: How do we do that?

5 MR. ERVINE: My feeling is it would be done on a
6 case by case, but I think that -

7 CHAIR LAMARE: Your suggestion would be that the
8 Bureau be able to authorize beyond 500 in special cases to
9 make sure that cars get fixed.

10 MR. ERVINE: Yes, I think so. I think that that
11 would probably be doing every bit as good a job as crushing
12 the vehicles and in some cases would probably be doing a
13 lot better job in that we have a vehicle that's safe at
14 least, whereas you go out and buy something for \$1,000,
15 you're probably not going to get something that's too safe.

16 CHAIR LAMARE: Thank you, Chris. Now, I've also
17 heard anecdotally that some people may be unwilling to go
18 for CAP assistance because of the \$500 limit with the
19 thought that they'd get into the system and then they'd
20 have to pay beyond \$500 to get their car fixed and they'd
21 rather just try to go around the system. You know, I don't
22 have any evidence that that's the case, but if so, then if
23 there is that kind of case occurring, then we're losing
24
25

1 emission reductions. Chris, did you want to comment on
2 that?

3 MR. ERVINE: Yeah. Anybody that enters into the
4 CAP program, once CAP has expended \$500 towards repairs, if
5 there are additional repairs required, they've already
6 satisfied the \$400 - \$450 maximum and so they become
7 eligible for a two-year exemption.

8 CHAIR LAMARE: So once the CAP program has spent
9 \$500 to fix your car, that's all that's required and you
10 are eligible for an exemption -

11 MR. ERVINE: Yes.

12 CHAIR LAMARE: - if your car doesn't pass smog at
13 that point.

14 MR. ERVINE: Correct.

15 CHAIR LAMARE: And to get that exemption what do
16 you have to do?

17 MR. ERVINE: I believe you have to apply to the
18 referee. They will review what has been done and they will
19 review the diagnostics and the Gold Shield station's
20 diagnostics of what needs to be yet repaired and verify it
21 and then they will receive the exemption from there.

22 CHAIR LAMARE: And about how often have you
23 gotten into this situation where a vehicle owner has to go
24 and get an exemption?
25

1 MR. ERVINE: It happens. It's not real frequent.
2 A lot of times people will opt to pay additional monies.
3 People that can't afford to pay the additional monies, we
4 inform them of it and then we give them all the information
5 they need. Now, I can't tell you whether they take
6 advantage of it from that point or not. It's not real
7 common.

8 CHAIR LAMARE: So but the point is that people
9 should not fear going into the Gold Shield station to get
10 CAP assistance because they will not be held hostage, they
11 will not have their cars held hostage for more money than
12 the CAP program provides for repair.

13 MR. ERVINE: Correct.

14 CHAIR LAMARE: Thank you. Any further comment,
15 public comment on the CAP program? Any further questions
16 or comments from Committee members?

17 Marty, did you have more to talk about?

18 MR. GUNN: No, ma'am.

19 CHAIR LAMARE: Thank you so much for being here.
20 We look forward to working with you in the future.

21 MR. GUNN: Thank you.

22 CHAIR LAMARE: So next we have Alan. Are you
23 going to make a presentation? Not really, huh? Come and
24
25

1 introduce yourself anyway and tell us how to spell your
2 name.

3 MR. COPPAGE: I do have nothing to present other
4 than myself to this Committee. I look forward to working
5 with you in the future. My name is Alan Coppage, A_l_a_n
6 C_o-p-p-a-g-e.

7 CHAIR LAMARE: Coppage.

8 MR. COPPAGE: Coppage.

9 CHAIR LAMARE: Now, last time, as I recall, there
10 was some presentation on enforcement? The members who were
11 here recall that and -

12 MR. CARLISLE: Madam Chair, that was the
13 enforcement monitor.

14 CHAIR LAMARE: That was the enforcement monitor.

15 MR. CARLISLE: Strategica.

16 CHAIR LAMARE: And were there any follow-up
17 questions that you wanted to ask the BAR's enforcement
18 division about enforcement?
19

20 I am extremely curious about enforcement. I
21 didn't really learn a lot from the enforcement monitor. We
22 completed our study last year saying, well, we don't want
23 to work on enforcement until the enforcement monitor gets
24 done because they were authorized by the Legislature to
25 move forward in looking at the process and we shouldn't

1 kind of trample over their footprints. So I think what I
2 learned from reading that report is that we need to go back
3 and revisit the enforcement issue in terms of how rigorous
4 is the enforcement policy at Bureau? Are we getting rid of
5 the fraudulent players? How do we know that fraudulent
6 players are getting pushed out of the test-and-repair
7 business? How do we know that the testing is being done
8 with integrity?

9
10 We know that 40 percent of the cars that are
11 stopped at roadside that failed and are retested, that
12 within the six months of their Smog Check - excuse me for
13 garbling all this, we really need Sylvia to say this -
14 Studies show that those cars that are stopped on roadside
15 within six months of their Smog Check and failed at Smog
16 Check and were repaired fail again at the roadside, and
17 that is a key problem of the Smog Check Program that we've
18 got to fix in order to achieve the air quality goals that
19 we've set for ourselves, so I want to know how the
20 enforcement program is working on that. I'm not expecting
21 that today, but -

22 MR. COPPAGE: I look forward to working with you
23 in the future on this.
24
25

1 CHAIR LAMARE: Thank you. Any other comments or
2 questions or any questions from the audience? Anything on
3 conference call or web?

4 Thanks, Alan.

5 It sounded like people were joining the
6 conference call.

7 MR. CARLISLE: Doug Lawson, I know, was on. I
8 just emailed him a few minutes ago. I'm not sure what
9 question he has. He came on and then went off again.
10

11 CHAIR LAMARE: Okay, so we'll hang in there.
12 Please come to the podium and let us know your name and
13 your question or comment.

14 MR. NOBRIGA: Larry Nobriga and I'm representing
15 Automotive Services Councils of California. My question
16 would be related to your statement on studies about being
17 caught on roadside six months after a car has been repaired
18 or passed, we'll put it that way, I think that works
19 better.

20 CHAIR LAMARE: That was failed -

21 MR. NOBRIGA: And then it fails again.

22 CHAIR LAMARE: Um-hmm.

23 MR. NOBRIGA: We're talking enforcement, but I
24 don't know how strongly you can talk enforcement there.
25 You first, I feel, have to know who repaired the car. The

1 consumer has the right to do whatever they want, and if it
2 failed somewhere, whether it was a gross polluter or just
3 failed, they take it, they do whatever it is they think
4 they need to do, put it back together and it barely passes.
5 Six months down the road it's not going to pass. And we
6 see a lot of new old catalytic converters because the
7 vehicle is not checked properly. They throw a cat on it
8 because a new cat will allow it to barely pass, and it's
9 not in fuel control. As a test-and-repair station, before
10 I can replace a cat, that vehicle has to be in fuel
11 control.
12

13 CHAIR LAMARE: Could you explain that term for
14 me, fuel control?

15 MR. NOBRIGA: Fuel control. With the electronics
16 we've got, the computer is controlling the air/fuel ratio,
17 and if the air/fuel ratio is not controlled, it's not in
18 control, and that'll take out a cat real fast, okay? So
19 you have to know who is repairing these vehicles before you
20 can lay it, in my mind, on the shops.

21 CHAIR LAMARE: Understood. Thank you for that
22 comment.

23 MR. CARLISLE: Madam Chair, I have Doug Lawson on
24 the phone if we could take his comment.
25

1 CHAIR LAMARE: Okay, we'll take Doug and then
2 we'll take Randy.

3 MR. CARLISLE: Okay, hold on one sec.

4 CHAIR LAMARE: Welcome, Doug.

5 MR. CARLISLE: Okay, you there, Doug?

6 MR. LAWSON: Yes.

7 MR. CARLISLE: Okay, what was your question?

8 MR. LAWSON: Yes, Rocky, thanks for putting me on
9 the agenda. Madam Chairwoman and other members of the
10 Committee, I currently - my name is Doug Lawson, I'm
11 calling from Colorado and I currently serve on the State of
12 Colorado's Air Quality Control Commission. About two and a
13 half years ago we increased our cost waiver limit from
14 roughly \$200, I think it was on the order of \$200 for a
15 waiver limit, up to \$700, and we did that largely in
16 response to a study that I conducted in Orange County,
17 California, ten years ago where the average repair cost of
18 high emitters was about \$700. And so that has been done
19 here in Colorado. It's pretty successful, and with really
20 relatively little negative impact from our consumers.
21

22 And about two months ago the state did present a
23 presentation to us on the Commission regarding its findings
24 of the effect of us increasing the cost waiver limit, and I
25

1 could give you the phone number at a later time of the
2 staff person with the state who presented that information.

3 But I do support a cost increase, and based on
4 the fact that it does - we need to really get effective and
5 long-lasting repairs of vehicles. And also, having cost
6 waivers of any kind in any I&M program is very inefficient
7 and doesn't make sense regarding cleaning our air given how
8 society spends large amounts of money just to find high
9 emitting vehicles, and then in many cases we refuse them
10 from effective and long-lasting repairs that could really
11 improve air quality.
12

13 So thank you very much for letting me comment.

14 CHAIR LAMARE: Thank you, Doug, it's a pleasure
15 to have you join us. Other comments, questions? Randy.
16 Randy Ward.

17 MR. WARD: Madam Chair, Members, Randall Ward,
18 Executive Director of the California Emissions Testing
19 Industries Association. I'd respond to the comments made
20 by the ASE representative.

21 One of the serious problems that I suspect - and
22 Sylvia, maybe you'd be able to answer this - would be
23 addressed in the durability issue that's being studied by
24 the Air Board, and I believe that contract's been let, but
25 one of the issues is who repairs the car. Not if it's the

1 individual themselves, but in many cases you have licensed
2 repair dealers doing Smog Check repairs which they're not
3 supposed to be doing, and it does a couple of things; it
4 raises the question about how complete those repairs are
5 when they're not repaired at a licensed smog test-and-
6 repair station, but in addition to that, it certainly
7 circumvents the economic benefit that someone went into the
8 test-and-repair business and decided to become a licensed
9 Smog Check test-and-repair business because they have spent
10 the money on the equipment, they're not doing the repair
11 and someone who shouldn't be doing the repair is, so I
12 think that's an important consideration for that study.
13

14 Thank you.

15 CHAIR LAMARE: Thank you, Randy. Other comments?
16 Chris?

17 MR. ERVINE: Chris Ervine with STARS, coalition
18 of state test-and-repair stations. What Randy was saying
19 is correct. There's a lot of ARD dealers out there that
20 are doing smog repairs that are not licensed Smog Check
21 stations. BAR is not enforcing this.

22 One very simple way to determine who is repairing
23 vehicles is for the test-only stations, because they're
24 testing almost all the failures that have been repaired
25 with the exception of the Gold Shield stations, the test-

1 onlys need to enter in the ARD's number that repaired the
2 vehicle. This would help BAR to pinpoint not only the smog
3 stations that are doing repairs that aren't being done
4 properly, but it would also be able to pinpoint unlicensed
5 Smog Check stations that are doing smog repairs.

6 CHAIR LAMARE: Thank you. Very practical
7 suggestion.

8 - oOo -
9

10 All right, shall we then move on to the ARB
11 report?

12 MS. MORROW: Good morning. I'm Sylvia Morrow,
13 I'm with the California Air Resources Board. I'm just
14 going to give a short little update.

15 Regarding the contract that was let out, we, ARB
16 and BAR and our Deputy Executive Officer Tom Cackette, has
17 met with Sierra Research to start working on a test plan to
18 look at the Smog Check Program, and basically what we're
19 doing is we're not actually going to be - the focus of the
20 analysis of the Smog Check Program isn't going to be
21 looking at the emission reductions, we've done that many
22 times, and what we're envisioning is looking at the process
23 and what happens at the process and why, and then hopefully
24 by doing an in-depth analysis of each of the elements of
25 the Smog Check inspection, then we will find out, you know,

1 a lot of answers to many questions including the one that
2 you had brought up in that 40 percent of the cars that
3 failed and passed a Smog Check inspection subsequently
4 failed within six months at the roadside.

5 So right now Sierra is in the process of drafting
6 up that test plan. Once both ARB and BAR have taken a look
7 at it, we will then provide it to the IMRC so that the
8 public has a chance to look at it and make comments of how
9 they think it should go. We anticipate that there is going
10 to be testing involved, vehicle testing, possibly at the
11 Eligible Monte laboratory, but we should find out shortly,
12 and we anticipate that by the end of the year we will have
13 a test plan out and then the process goes from there.

14 Also, I'd like to say that we did provide the
15 IMRC, it is in your packet, a copy of the repair cut point
16 report conducted by Sierra. And Jude, you weren't at the
17 last meeting, but at the next meeting ARB and BAR will be
18 doing some presentations, and on the ARB side we will be
19 presenting some information regarding the repair cut point
20 report. We will also be providing information regarding
21 the low pressure evap and a few other items I don't have
22 off the top of my head.

23 As far as the low pressure evap, the latest is
24 that our Eligible Monte laboratory has completed the
25

1 testing and is in the process of finalizing a test memo to
2 convey the results to ARB staff and to BAR upper
3 management.

4 CHAIR LAMARE: Great, thank you.

5 MS. MORROW: That's it.

6 CHAIR LAMARE: That's wonderful. Questions for
7 Sylvia? No? Okay, thank you.

8 MS. MORROW: Thank you.

9 CHAIR LAMARE: Participation from anyone online
10 or on the phone? No. Anyone in the audience?
11

12 - oOo -

13 Okay. Now, the next item on our agenda is the
14 legislative update, and in your packet under tab two is a
15 list of bills and some bill information. I'm assuming that
16 that's also available to the public.

17 MR. CARLISLE: Yes.

18 CHAIR LAMARE: Do you want to report on that,
19 Rocky?

20 MR. CARLISLE: Yes, thank you, Madam Chair.
21 We've been looking at and primarily tracking three bills,
22 AB383 Montañez, AB386 Leiber and AB578 Horton.

23 With regard to AB383, that's the CAP bill that
24 increases the income qualification from 185 percent of the
25 federal poverty level to 200 percent. It also gives low

1 income motorists priority if CAP assistance applications
2 exceed CAP funds. That bill has been enrolled and awaiting
3 the Governor's either signature or veto.

4 With regard to AB386, that's still in
5 Appropriations held in submission. There has been some
6 consumer issues regarding that and there is a letter I've
7 included in the correspondence of your packet from some of
8 the consumer groups citing their concerns with regard to
9 AB386.

10
11 CHAIR LAMARE: Is that available to the public in
12 the back?

13 MR. CARLISLE: It is available to the public,
14 yes. We put them out there. And so, it's still alive but
15 it's probably going to become a two-year bill.

16 The last one, 578, that was referred to the
17 Senate Committee on Transportation and Housing; however,
18 the hearing has been cancelled at the request of the author
19 and it's my understanding that they're still looking at
20 that bill.

21 The cut-off date for the bills to be passed out
22 of the Legislature was September 9th. That's come and
23 gone, so these bills are probably going to be somewhat
24 dormant until next session.
25

1 CHAIR LAMARE: Okay. Does anyone have questions
2 or comments on pending legislation, or anyone in the
3 audience wish to raise any issues about legislation? Okay,
4 thank you.

5 - o0o -

6 So moving on, our next item on number nine is -
7 oh, I'm sorry. Thank you, Jeffrey. Now that Committee
8 Member Pearman is here, let's return to the IMRC budget
9 item. And Rocky, would you discuss our budget and how it
10 got to be the way it is and where we're going with it?
11

12 MR. CARLISLE: You bet. Thank you, Madam Chair.
13 The IMRC budget is a little, the best way I can describe it
14 is convoluted, only because we're funded by two agencies
15 and not a part of either one according to a legal opinion I
16 recently read. ARB funds \$150,000 and BAR funds \$150,000.
17 This was via an agreement signed by K. Martin Keller, who
18 was chief of the Bureau of Automotive Repair at the time.
19 This is January 13th, 1999.

20 CHAIR LAMARE: That is not K-Mart and Keller.

21 MR. CARLISLE: No.

22 CHAIR LAMARE: It is K. Martin Keller.

23 MR. CARLISLE: Martin.

24 CHAIR LAMARE: Thank you.
25

1 MR. CARLISLE: And Michael P. Kenny, who was the
2 executive officer at the Air Resources Board. The way it
3 was supposed to work was the IMRC budget for clerical and
4 staff, building, facilities, equipment, travel, data
5 processing, that kind of thing, that would be paid for out
6 of the 150 from the Bureau of Automotive Repair, and the
7 consulting would be paid out of the Air Resources Board.
8 However, things -

9
10 (Tape One, Side B)

11 MR. CARLISLE: - the IMRC budget, along with
12 everybody else's, I might add, were reduced due to the
13 state's budget problems. We lost a clerical position so
14 our budget was reduced. For example, the current fiscal
15 year our budget is \$135,810, and I should add this is
16 tentative, it won't be finalized until probably November.
17 For the '04/05 fiscal year it was actually \$136,192. So
18 this current budget is \$382 less than the previous year and
19 I understand it's due to changes in the estimates for
20 retirement benefits for state employees.

21 The ARB budget, although that was originally
22 paying for contracts, if you will, now we are housed in the
23 ARB or Cal/EPA building, and so they're paying for our
24 facilities here, our postage, and conservatively, that's
25 worth anywhere from \$12-15,000 a year that we were paying

1 to DCA. They're also paying for our consultant, Steve
2 Gould, who has been rehired as a retired annuitant, and
3 that's in the vicinity of \$40,000. They taking care of the
4 costs for the meeting rooms, the webcasts, event recording,
5 that kind of thing, and in addition, they have a master
6 contract with Sierra Research and we can also use a small
7 portion of that. So when you add all these up, they are
8 also contributing their portion of the funding required of
9 the IMRC.

10
11 But part of the problem again stems from the fact
12 that we're this little island out in the middle of nowhere,
13 if you will, and it makes it very difficult when you're
14 saying, well, how do you do certain things? You have to
15 figure out, well, okay, what agency do I go to; do I go to
16 ARB or do I go to BAR?

17 CHAIR LAMARE: Just to remind everyone that the
18 IMRC Committee members do not receive any compensation.

19 MR. CARLISLE: Absolutely. The only thing that
20 we reimburse the Committee members for are their direct
21 expenses for travel. I shudder to think what it would cost
22 if we had to pay your fees.

23 CHAIR LAMARE: Questions for Rocky? Bob Pearman?

24 MEMBER PEARMAN: So the fiscal year is like July
25 to June, right?

1 MR. CARLISLE: Correct.

2 MEMBER PEARMAN: So how are you involved or
3 notified or consulted about what our budget will be in any
4 future year, if at all? You're just told this is what it's
5 going to be and we'll let you know if it changes later?

6 MR. CARLISLE: Pretty much. They do consult us
7 if we have any equipment requirements coming, if we're
8 going to have to purchase anything, if there's anything out
9 of the ordinary, they do give us some input, but the
10 budgets currently pretty much cover all our expenses. The
11 unknown really is the contracts and the consulting, that's
12 really the unknown. Everything else stays pretty much the
13 same. Every three or four years you need some equipment,
14 but not much.

15 MEMBER PEARMAN: From your experience and
16 understanding of the creation of IMRC, is that what the
17 Legislature did, they didn't really decide how it would be
18 funded, just said here you are and hopefully the agencies
19 will take care of us?

20 MR. CARLISLE: Well, they directed both the
21 agencies to support us, so the agreement was reached, like
22 I say, in '99 by the executive officer at ARB and the BAR
23 chief and they laid out a budget that was reasonable for
24 the Committee.
25

1 And we've actually saved considerable amounts of
2 money, because when I was first appointed in 2003 we were
3 in an office over at 915 L Street and that was costing us
4 in the vicinity of over \$17,000 a year. Simply the move to
5 another building saved over \$10,000 a year, and I know
6 that's a small pittance that gets lost somewhere in the
7 noise in state budgets, but nevertheless, for us it was a
8 significant amount of money.

9 MEMBER PEARMAN: Thank you.

10 CHAIR LAMARE: And so, Rocky, if we wanted to do
11 another consumer survey, how would we fund that?

12 MR. CARLISLE: We can actually, I've been told by
13 ARB that we can actually use Sierra Research for some of
14 that.

15 CHAIR LAMARE: We can use Sierra Research or not
16 do it.

17 MR. CARLISLE: Right. They do that type of work,
18 and I would have to again go back to Tom and talk to him
19 about it and see exactly how we'd facilitate that, but that
20 was my understanding at our last meeting.

21 CHAIR LAMARE: And if we wanted to add an intern
22 from the university, how would we fund that?

23 MR. CARLISLE: An intern? That, I would have to
24 check. I know ARB has internships. It's a possibility we
25

1 could use ARB funding to do that. They've been, like I
2 say, they were very generous with our retired annuitant,
3 and that's actually going to save us a lot of money because
4 the equivalent contracts I suspect would be very high
5 compared to what we're going to have Steve Gould doing.

6 CHAIR LAMARE: Right, I think we're very
7 fortunate.

8 MR. CARLISLE: Yes.

9 CHAIR LAMARE: Bob?

10 MEMBER PEARMAN: Do you know if there's any
11 prohibition against IMRC pursuing, say, a federal grant for
12 activities in the area of our jurisdiction independently on
13 its own?
14

15 MR. CARLISLE: I'll have to check with legal on
16 that one. That falls under DCA, by the way.

17 CHAIR LAMARE: Oh, we receive our legal support
18 from DCA?

19 MR. CARLISLE: Correct.

20 CHAIR LAMARE: Is it possible for us to request
21 that that be shifted to the Air Resources Board?
22

23 MR. CARLISLE: I can ask the question, certainly.

24 CHAIR LAMARE: Ask the question.
25

1 Bob, that was a great question, can we get grants
2 to do our research so that we're independently able to do
3 some independent research.

4 MR. CARLISLE: Okay.

5 CHAIR LAMARE: Other questions, comments?

6 - o0o -

7 Now, Rocky, the next item on the agenda is the
8 IMRC consultant task list that you've been working on.
9 What tab is that under?

10 MR. CARLISLE: That's under tab three.

11 CHAIR LAMARE: Tab three.

12 MR. CARLISLE: And what I did is pretty brief. I
13 included the duty statement that we created for the Air
14 Resources Board for Steve Gould. And in meetings that Dr.
15 Williams, yourself and Steve and I had there were a couple
16 of things that we had talked about. For example, one was
17 the preconditioning survey, Steve could assist with the
18 analysis finalizing that survey. He could also assist Dr.
19 Williams in completing and finalizing the comparison of
20 test-only, test-and-repair and Gold Shield stations that
21 we've been working on.
22

23 And then finally, analyzing the emissions impact
24 of chronic and instantaneous unregistered vehicles that Mr.
25 Pearman and I believe it's Bruce Hotchkiss, no, or Dennis.

1 Let me check here. I'm sorry, it's Gideon and Tyrone
2 Buckley are working on that. So that was the unregistered
3 vehicle issue that we've talked about in the past that
4 ranges anywhere from 6 percent for instantaneous to
5 somewhere around .4 or .5 percent for chronic. Chronic
6 being identified as anything over two years, instantaneous
7 anything less than two years.

8
9 So those were the three items that we had
10 discussed doing in the short term. There's obviously long-
11 term projects as well, but I think our goal was to complete
12 the items for our current report so we could complete that
13 somewhere around January to deliver to the Legislature.

14 CHAIR LAMARE: Comments or questions? I really
15 hope and it is my recommendation that we include our
16 research consultant from the University of California Davis
17 that's been working with Jeffrey on the test-only, test-
18 and-repair and Gold Shield analysis.

19 MR. CARLISLE: Absolutely.

20 CHAIR LAMARE: We have a huge amount of data and
21 it's very important to have a strong team working on it.

22 MR. CARLISLE: Some of the things that are
23 difficult, the test-only, test-and-repair and Gold Shield
24 is probably the most difficult comparison because there's
25 argument that the only good comparison with regard to

1 failure rate is the first test or the first cycle, if you
2 will, because once they've been tested the first time,
3 they've already failed and consequently they're going to be
4 coming back a second time and it will be a cleaner car, but
5 I think there's other information in the dataset we can
6 look at as well, so that's going to be a challenge.

7 I mean, because you're really talking about
8 behavior, you know. Tailpipe emissions and OBD II, that
9 component of the test really doesn't change, although they
10 can clean pipe, don't get me wrong, but I mean, you're
11 really looking at technician behavior, because if you just
12 use the EIS in the way it was designed, they really can't
13 do anything about OBD II.

14
15 CHAIR LAMARE: Well, I think in this case we need
16 to recognize that the research assistance at the University
17 of California Davis has been working on this dataset -

18 MR. CARLISLE: Correct.

19 CHAIR LAMARE: - and is already up to speed on
20 how it works and what the problems are and has already done
21 initial work on that dataset, so I think would be
22 invaluable to working with you and Steve Gould on further
23 work on that dataset, so I would like to see us move ahead
24 with getting an internship solidified with ARB so that we
25 can utilize the assistance that has to date been provided

1 pro bono by the University of California Davis, as I
2 understand it.

3 MR. CARLISLE: Yes.

4 CHAIR LAMARE: Not that there's anything wrong
5 with that, but if we -

6 MR. CARLISLE: And which we appreciate.

7 CHAIR LAMARE: Yes. Questions, comments from
8 Randy Ward and then Sylvia.

9 MR. WARD: Madam Chair, members, Randall Ward,
10 Executive Director of the California Emissions Testing
11 Industries Association. I think it would be particularly
12 important to see and be able to provide some input into the
13 initial study using the data you plan on doing. My concern
14 is, I think, very warranted.

15 One of the things that I know Dr. Williams was
16 concerned about and I think I've predicted was that as he
17 was doing his work, which he correctly indicated was draft
18 work, very preliminary, should not be taken as gospel, he
19 was very very professional about that. And I'm sorry that
20 Mr. DeCota isn't here today, but in front of legislative
21 committee on AB578, Mr. DeCota, while he didn't say the
22 IMRC was supporting AB578, he represented himself as a
23 member and it was very unclear as to whether he was
24 representing the IMRC in front of that committee.
25

1 Indicated he's been on the Committee for 14 years and then
2 cited Dr. Williams' work. He did not say it was
3 preliminary work, he didn't say it was draft work, he
4 didn't say it was work in progress.

5 Absolutely inappropriate, and I would hope that
6 this Committee would adopt a policy for its members who are
7 going to be testifying in front of any governmental agency
8 including the Legislature that would require they correctly
9 attribute any actions of the IMRC to their particular
10 actions or parochial interests. So therefore, I would like
11 to make sure that there's an opportunity to input on what
12 aspects of the data you're going to be looking at, what
13 kinds of runs. I am particularly familiar with the data,
14 as are others, and would welcome that opportunity.

16 The other thing that's particularly important the
17 Committee should be aware of and Dr. Williams is
18 particularly aware of is the data is not very good, okay?

19 CHAIR LAMARE: Not very clean, you mean.

20 MR. WARD: It's not clean data. The aggregate
21 data that is delivered to Dr. Williams and others from MCI
22 is unwashed data, so to speak. The process for washing it
23 is proprietary and the MCI will not divulge that
24 proprietary process to the Bureau of Automotive Repair, its
25 own contractor. So they will explain the theory, but they

1 won't divulge the process, so the Bureau goes through their
2 own effort following the theory to wash that data and it's
3 still inconsistent and it's still off by a significant
4 percentage, so that's just something you should be aware
5 of.

6 This should all be rectified with the new
7 contractor that is going to be, I assume, on board, and you
8 can ask the Bureau, fairly shortly, but the sad part of
9 that - that's the good news. The bad news is we have to
10 live with the data that was collected until the new
11 contractor comes on board. So thank you.

12 CHAIR LAMARE: Thank you, Randy. So you're
13 suggesting that IMRC research efforts be vetted in the
14 whole Committee or that we have like a stakeholder research
15 working group where we kind of bring people together
16 outside of our monthly meetings to discuss the research
17 process.

18 MR. WARD: Madam Chair, that would be fine. I
19 would leave this to, you know, you and the Committee's
20 judgment. I'm simply making the concern, and I think it
21 would be a positive participation in terms of producing a
22 positive work product. Thank you.

23 CHAIR LAMARE: Thank you. Sylvia?
24
25

1 MS. MORROW: Sylvia Morrow, Air Resources Board.
2 I have just two comments.

3 I think ARB also would like to be involved in
4 looking at this question, and the reason is there are just
5 so many ways you can slice and dice the data and come up
6 with many different answers, and so I think it would be
7 helpful to have the agency's input.

8
9 My second comment is, as far as like hiring a
10 student, there's basically two processes in the state to
11 hire a student. There is actually a state student position
12 and I don't exactly know the process on that, but then the
13 other process is the Horner Foundation and that's how we
14 hire students, so I recommend that Rocky take a look at
15 those methods if you would like to hire a student to help
16 with IMRC.

17 CHAIR LAMARE: Thank you. Other comments,
18 questions? Rocky.

19 MR. CARLISLE: Madam Chair, couple things. First
20 of all, yeah, it was our goal to include not only ARB but
21 also the BAR in the subcommittee discussions for this
22 analysis, because I don't think you can get too many
23 experts in this one because it's really, really complex.

24 The other issue with regard to just to clarify
25 Dennis DeCota's comment. The Committee did send a letter

1 of support to the Legislature on May 27th in support of the
2 Horton bill 578; however, I should mention that was prior
3 to its amendment, so I just wanted to make that comment for
4 clarification.

5 CHAIR LAMARE: Well, I would like to make one
6 comment about the research program and the process in the
7 IMRC. Many people have spoken to this Committee and on
8 this Committee about the hybrid program that we have which
9 is a public/private partnership between the state and even
10 including the air districts in the sense that this program,
11 the Smog Check Program, meets the goals of air district
12 plans to reduce air pollution in their regions; that we
13 have a very broad-based group of stakeholders in the Smog
14 Check Program and its evaluation and that we all have a big
15 interest in understanding this very complex program that
16 affects millions of people every year, so to the extent
17 that we can create in the work that we in this Committee
18 do, which is a broad-based Committee, a way of looking at
19 research results from the beginning, from the design stage,
20 I'm very much in favor of that and I hope we can work on
21 including all the different parties in the partnership.

22 We were reminded of this when we got a copy of
23 the consumer group's letter to Assembly Member Leiber
24 commenting on AB386 that, gee, we'd really like to have
25

1 these consumer groups at our meetings and participating in
2 our process so we can have that full awareness. I
3 personally would very much like to have a lot more
4 environmental group and public health group input into this
5 process. I often feel like I'm the only person that is
6 representing that point of view in our meetings, so I like
7 the fact that we have a webcast and that we are reaching
8 out. So thank you, Randy, for making that suggestion.

9
10 More comments or questions on the IMRC
11 consultant? Okay.

12 - oOo -

13 Our next item is that we may have some reports
14 back on individual elements of our upcoming report that the
15 subcommittees have been working on, it's called Report
16 Topics, we have a list. I know I want to make a comment
17 under consumer information study. Were there other
18 Committee members who were going to report back on report
19 topics, anyone come prepared to talk? Thank you, Robert
20 Pearman.

21 MEMBER PEARMAN: Well, it's very brief on the
22 post-repair Smog Check cut points. We got finally the ARB
23 study release, so Dennis and I and Rocky weren't able to
24 talk before today and Dennis isn't here, and ARB did say
25 they would discuss that at the next meeting, so I think

1 we'll try and talk among our committee in advance. Maybe
2 we can get some questions to ARB in advance if we can so we
3 can then in connection with their report next month also
4 give perhaps our subcommittee's perspective, too.

5 CHAIR LAMARE: Any other comments? On the
6 consumer survey portion of our report, last meeting when I
7 read the transcript there were a couple of comments about
8 the survey, a concern on the part of Dennis DeCota that he
9 didn't accept the survey results, a comment by Chris Ervine
10 that I thought was particularly related to the ping-pong
11 effect.
12

13 So I went back to look at the report and what we
14 had said, what our data had said, the questions that we had
15 asked, and thought about the way I read what was said in
16 the meeting, because since I wasn't here we couldn't really
17 discuss it, and it seemed to me that what Dennis and Chris
18 were saying is that the questions in our survey really
19 didn't get at the question that they were most concerned
20 about in the test-only ping-pong.

21 So I did want to reiterate that we didn't
22 specifically ask people if they were mad that they had to
23 test and retest at a test-only, we didn't ask them if they
24 were inconvenienced, if they didn't like it, we didn't say
25 that, we didn't say, you know, *did you have to go and get a*

1 test, repair somewhere else and go back and get a retest,
2 we didn't ask that.

3 What we asked was whether people had difficulty,
4 how easy it was or difficult it was for them to do their
5 initial test, that was one question, how easy or difficult
6 it was for them to get their car repaired, or how easy or
7 how difficult it was for them to get their final Smog Check
8 after repair, and so we had three different questions that
9 we asked.

10
11 And we also knew whether people had been mandated
12 to go to test-only because we asked them, *were you required*
13 *to go to test-only*, and so we were able to compare people
14 who were required to go to test-only to those who were not
15 required to go to test-only to see if there was any
16 difference in the difficulty that they rated their repairs
17 and inspections, and there was no significant difference,
18 so that's why we concluded that that requirement is not
19 causing difficulty.

20 A second element there is that we, looking at the
21 people in terms of their second test - and remember, these
22 are all failed vehicles, we didn't talk to anybody except
23 people who failed, had to get repairs, had to get the
24 retest. The number of people who had difficulty on the
25 retest was far smaller than the number of people who had

1 difficulty on the first test, so our hypothesis was, if
2 you're having a ping-pong effect where people are having to
3 - getting repaired, going back and getting tested and
4 failing and having to go back to repair and having to go
5 back to test, that is the way I interpreted the word *ping-*
6 *pong*, is that there's difficulty because you're going back
7 and forth, back and forth.

8 After thinking about this and reading the
9 comments in the transcript last time, it did seem that
10 maybe my concept of what ping-pong was was not shared with
11 the industry, that from the industry's point of view, the
12 ping-pong occurs simply because a person is required to go
13 to test-only for the final test, and so, in my mind, we
14 kind of started off with different concepts of what we were
15 testing. I was testing whether consumers were having
16 enough difficulty that within three months they would
17 complain about it and say, *Yes, I had difficulty getting*
18 *the retest*, or if they were, you know, experience over,
19 they've forgotten that they were unhappy, I think you might
20 interpret it looking back.

21 That because the industry is telling us people
22 are very unhappy about having to go to test-only and then
23 go and get the repairs and then go back to test-only, and
24 everybody and his mother who's gotten a test-only
25

1 requirement knows that there's some, *What? I have to do*
2 *this? What if I fail? I'm going to have to go back.* And
3 I think from the viewpoint of the air quality advocates, of
4 course, those are all incentives for people to keep their
5 cars running smoothly, not to have Smog Check failures and
6 not have to go through that process, so from an air quality
7 perspective we see that as a way to make the process work
8 for air quality.

9
10 Any comments or questions? Starting with Chris
11 and then Bud.

12 MR. ERVINE: Chris Ervine, STARS, coalition of
13 state test-and-repair stations. The concern that I had
14 with the survey that was done was that the way that the
15 questions were worded, they were worded in a manner in
16 which it made it appear that the consumer wanted a
17 particular type of station, not the fact that they were
18 told that they had to go to that station, it made it look
19 like they wanted that type of station, and that was my big
20 concern.

21 In the Central Valley we've seen, in the last
22 four years we've seen people calming down and accepting the
23 fact that they've got to go to test-only. They are still
24 not happy about it. The initial reaction when this first
25 started and the increase in the number of vehicles to test-

1 only was generated was just total outrage and, *Why do I*
2 *have to take my cars over here? I've been dealing with you*
3 *for twenty years and I want to take my car here and I want*
4 *to have you test it and if it needs fixing, I want to have*
5 *you fix it and then retest it.* And the feeling is still
6 there, they still want it, they're just not as adamant
7 about it as they used to be. They've accepted the fact
8 that this is the way it has to be, however, the test-and-
9 repair industry hasn't accepted the fact and it is still
10 continuously hurting us financially today.

11
12 CHAIR LAMARE: Thank you, Chris.

13 MR. RICE: Good morning, Committee. Bud Rice
14 with Quality Tune-up Shops. Just to follow up on what
15 Chris has said, the definition of what ping-pong is is the
16 critical issue here. I'm going to tell you that when our
17 customers come to our locations and they discover basically
18 from us looking at their paperwork that they have to go to
19 a test-only station, that's the beginning of the ping-pong
20 in their minds. They can't do it with us, they have to go
21 somewhere else, and so now the process happens.

22 Whatever happens next, if they go to a test-only
23 store and their car passes or fails or whatever happens to
24 them after the fact, that experience, who knows, could be
25 pleasant, could be unpleasant, I don't know the answer to

1 that. I only know that from their perspective as they
2 speak to me, the ping-pong starts over here. And in our
3 situation, I'll testify here in front of you that we have
4 locations today that still have anywhere from ten to twelve
5 Smog Checks that come in a day that we have to turn away to
6 test-only facilities.

7 So Roger, good to see you. Welcome to the
8 Committee, but I'll tell you, in many cases our customers
9 that we've advertised for all of a sudden have to become
10 your customer because we can't do their car, but we
11 advertise like crazy asking people to come in and do
12 business with us, and when they do, we've got to tell a
13 bunch of them that we can't, so again, that's the beginning
14 of the ping-pong situation from our perspective. Thank
15 you.
16

17 CHAIR LAMARE: Thank you. Did you have a
18 question?

19 MEMBER WILLIAMS: How many of the people that
20 come in simply have misread the form? They do know what a
21 test-only facility is, they've just failed to read the
22 form.

23 MR. RICE: Many of them don't even know it's
24 there, seriously, they don't even know that it says test-
25 only up at the top of their paper, so they'll come in -

1 MEMBER WILLIAMS: But they do know what a test-
2 only facility is so they wouldn't have started the ping-
3 pong if they'd read properly.

4 MR. RICE: That's possible, that's possible. And
5 then some section of those customers have always been our
6 customer, so they're used to coming here anyway, so there's
7 - so I would agree, there's some of them that just haven't
8 read the paperwork correctly and then there's some that
9 just come to us anyway.

10 MEMBER WILLIAMS: So that may suggest that the
11 problem is in the paper, not in some - or we could fix a
12 lot of the consumer frustration by improving what's sent
13 from the DMV?

14 MR. RICE: Yeah, I would say if somebody had a
15 chance to look at that thing and it was clearer as to what
16 they were being asked to do, many of them would have
17 bypassed that step, I would agree with that.

18 MEMBER WILLIAMS: This is an opportunity for me
19 to demonstrate how, despite having a Ph.D., I can't read.
20 I got a DMV renewal this summer and I guess I understand
21 the difference between test-only and test-and-repair more
22 than the average person in the State of California, and I
23 even attempted to read the thing, and last time that car
24 had been only at test-only, this time it wasn't, and I took
25

1 it to my normal shop and he said, *Would you please learn to*
2 *read, but we'll arrange for it to be tested down the street*
3 *and you don't have to worry about that because, you know,*
4 *we're getting so many people who just don't read the form*
5 *right.* And I then looked at the form again and it brought
6 to my attention that it did say test-only, but there are a
7 couple other places that just say you have to have your car
8 tested and I just wonder if we're misreading where things
9 are. I was trying to read this right once, and I got it
10 wrong, and it could be just that this form, because of the
11 colors or something, and I'm hardly an expert.

13 MR. RICE: If I could just quickly respond, I
14 understand my time's up, but that only leads to the next
15 question, quite frankly. When they come to our facility,
16 and let's assume they haven't read it, so now if we step in
17 and we fill that gap by saying, *Oh, you didn't look here*
18 *but it says you must go to a test-only station,* the next
19 thing then is, *Well, where do I go now?* So it's not enough
20 for the paper to say, you know, this; they still don't know
21 what to do next, and that leads to some of this confusion
22 as well. Thank you very much.

23 CHAIR LAMARE: Thank you. Mr. Roger Nickey.

24 MEMBER NICKEY: I want to - do I have to -
25

1 CHAIR LAMARE: Yeah, you're on, but you need to
2 get close, you know, you need to get closer.

3 MEMBER NICKEY: How close do I need to get?

4 CHAIR LAMARE: There.

5 MEMBER NICKEY: I really wanted to comment on
6 this ping-pong term because it's changed. In the
7 beginning, ping-pong was meant that if your car was
8 repaired and you came back for a retest and it failed and
9 you had to go back to the shop to get it re_repaired, that
10 was ping-pong. Ping-pong is not going to your repair shop,
11 going to a test-only, failing and going back to the repair
12 shop, that wasn't ping-pong. Ping-pong was to cover the
13 term if the repair was made and it wasn't successful and
14 you had to go back and get it re-repaired.

15
16 And if I could just address for a moment the
17 customer thing. When a test-and-repair customer leaves a
18 test-and-repair shop to go to a test-only, we're not taking
19 your customer. Your customer comes to us for a test. If
20 it fails the test, he comes back to you for a repair, so I
21 just wanted to comment on that part.

22 CHAIR LAMARE: Thank you. Randy?

23 MR. WARD: Yes, Madam Chair, I found your
24 consumer survey particularly interesting, and my side
25

1 comment is that Dr. Williams gives new meaning to the movie
2 *Absent Minded Professor*.

3 In any event, you know, I recall very clearly,
4 Madam Chair, your efforts as a subcommittee to put together
5 the consumer survey and your efforts to allow the
6 participation of not only other Committee members outside
7 your subcommittee but the stakeholders here, so I would
8 simply suggest that if there are any problems with the
9 language in that consumer survey, they should have been a
10 little more diligent at the onset as opposed to at its
11 conclusion.
12

13 And Mr. Nickey is quite correct, you know. The
14 definition of ping-pong is a failed vehicle that is
15 repaired and returns for its retest at test-only and fails
16 once again, and it's often confused, the term is often
17 misused, but that is, you know, what ping-pong is. Thank
18 you.

19 CHAIR LAMARE: Thank you. Regarding the consumer
20 survey, I would just remind everyone it was extremely
21 difficult to get off the ground. We did not have the
22 funding to do it. We went through many contracting
23 problems. We had a huge amount of input about the
24 questionnaire that blunted the intent of the Committee
25 members in terms of gathering information, and now we're

1 told again, well, we can have another survey if we work
2 through the approved contractor Sierra Research.

3 So I thought the survey was well vetted through
4 the process and that we got something out of it. It told
5 us something about consumers that we're not getting as
6 input in these meetings from the Committee and were not
7 being given as input from the agencies, so I think it's
8 valuable to continue to consult consumers.

9 No survey is perfect. All survey data is subject
10 to interpretation. Some interpretations are better than
11 other interpretations, and we're blessed on this Committee
12 to have a social scientist that we can - we have two social
13 scientists, actually, yes, and they are not engaged in any
14 part of the industry. I could call myself as one as well,
15 but because I manage the survey, I need to step aside from
16 it and we're really depending on Dr. Hisserich and
17 Dr. Williams to look at these interpretations and make sure
18 that the Committee stays in a safe realm of interpretation.
19 We have a rare opportunity, then, to do some social science
20 research that hasn't been done by the agencies and have it
21 conducted with integrity, and I hope that we can continue
22 to do that.

23 And Chris, did you have another comment?
24
25

1 MR. ERVINE: Chris Ervine with STARS. The
2 initial description of ping-pong, Mr. Nickey was correct
3 on. However, as far as the consumer is concerned, it
4 starts the minute they get that letter in the mail that
5 says they have to have their vehicle tested. They go to a
6 test-and-repair shop, more than likely the shop that
7 they've been doing business with for years, and they find
8 out that that shop cannot test their vehicle. Then their
9 first question is, *Well, why can't you do it?* And you have
10 to explain to them that you have a shop down the street
11 that is not nearly as well equipped, doesn't have to have
12 any of the equipment that you have to have nor the
13 technical ability that you have. They will test your
14 vehicle and pass it or fail it.

16 So they have to leave there and they have to go
17 to the test-only, and then it passes or fails, and then if
18 it fails, then it has to come back and it has to be
19 repaired and then it has to go back and be retested. This
20 is the ping-pong that the consumer sees. Regardless of how
21 the industry describes it, it's the consumer that sees the
22 ping-pong and it starts from the very moment that they're
23 told that they have to go someplace else.

25 It's kind of like getting on the phone and you
listen to the menu and it says push one, push two, and you

1 push two and you go, *oh cripe, this isn't the one I*
2 *wanted*, and then you have to go back and you have to listen
3 to the menu all over again and it gets very frustrating,
4 and this is the same thing.

5 CHAIR LAMARE: Good. Thank you, Mr. Ervine. Now
6 my comment on that is that that's what we want people to
7 understand. Hopefully, the consumer understands that if
8 they don't keep their car in good repair and their Smog
9 Check equipment working to pass, they're going to not have
10 a good experience, so get it done before you go in for your
11 Smog Check. That's what I personally would like to see
12 happen, and I think that's why the program works to require
13 a test-only test.

15 MR. ERVINE: Well, I think that industry would
16 like to see the same thing, is whenever that check engine
17 light comes on -

18 CHAIR LAMARE: Well, let's educate them.

19 MR. ERVINE: - people automatically bring their
20 car in to you instead of driving the vehicle. I don't know
21 how many vehicles we have tested that as soon as you start
22 the car up and drive it into the smog bay, the check engine
23 light's on, and you know that thing's going to fail.

24 CHAIR LAMARE: All right.
25

1 MR. ERVINE: And you get to talking to the
2 customer, *Oh, it's been on like that for six months.*
3 *What's it mean?*

4 CHAIR LAMARE: Yeah, that's what we want to stop.
5 Thank you.

6 MEMBER HISSERICH: Chris, is that really how you
7 describe where they're supposed to go when they come in
8 with the paper that says they should go to test-only?

9 MR. ERVINE: No.

10 MEMBER HISSERICH: Okay.

11 MR. ERVINE: But that is the feeling. And in a
12 lot of cases they get right down it and they want to know,
13 *Well, what's the difference?* And you have to explain to
14 them that, you know, the difference is that the state in
15 its infinite wisdom thinks that this other shop that's not
16 as well equipped - and excuse me, I'll tell them - as we
17 are and doesn't have the diagnostic ability that we do can
18 do a better job of testing their car than we can.

19 CHAIR LAMARE: A couple of comments from the
20 Committee. Dr. Williams.

21 MEMBER WILLIAMS: Let's look at this from a data
22 perspective instead of a definitional perspective. You
23 know I have the large dataset that allows repeat cars,
24 matching cars or something. What would you hypothesize
25

1 from your experience about cars that had previously been
2 directed to test-only and perhaps failed, are those cars
3 more likely to come into your shop and have you do a pre-
4 test because they suspect something's wrong with their car
5 and they know they might as well get it fixed before they
6 go to test-only, sort of an anticipatory ping-pong, if you
7 will, or do they avoid pre-tests and are pre-tests only
8 done by test-and-repair facilities when the person hasn't
9 yet experienced test-only? I wonder if you can sort out
10 some hypotheses there and then we'll look at some of the
11 data.
12

13 MR. ERVINE: We have a small percentage that come
14 in and ask for a pre-test, and I discourage it, and the
15 reason that I discourage it is that we are a Gold Shield.
16 If you take your vehicle to a test-only and it fails, then
17 bring your car back to us and we will have the state
18 contribute up to \$500 to repair your car. If we do a pre-
19 test here and we find that it's going to fail and we do
20 repairs on it, then you're not eligible for the \$500, so we
21 discourage that, but it is a small percentage that ask for
22 a pre-test.
23

24 When we had the gross polluter syndrome, or not
25 syndrome but when vehicles were labeled as a gross polluter
and they had to be tested every year and they had to go

1 through a whole bunch of hoops, we had a lot more of the
2 pre-testing then, and we participated in it, but now we
3 don't have that attachment to the vehicles so people aren't
4 nearly as afraid.

5 MEMBER WILLIAMS: If you recall the analysis I
6 did of some 900,000 Hondas, 4 or 5 percent of them were
7 pre-tested, 40 or 50 percent of them were going to a test-
8 only. That suggests about 1 in 10 that were being pre-
9 tested. Do you think those were ones that had previously
10 experienced test-only or this was a new thing for them?

11 MR. ERVINE: I would say that they were probably
12 directed to test-only previously.

13 MEMBER WILLIAMS: Okay. So we can look at that
14 and maybe infer something about ping-ponging from that.

15 MR. ERVINE: Yeah.

16 MEMBER WILLIAMS: I don't know what it will say,
17 but do you agree that that would be worthwhile to look at?

18 MR. ERVINE: I would say either they were, the
19 owner had a feeling that the vehicle wasn't running right
20 and they didn't want to get into - a lot of people still
21 associate the old gross polluter tag on vehicles and what
22 happened, you know, four or five years ago where you had to
23 go through all these extra steps to certify a gross
24 polluter, and they're afraid of that, and some of those
25

1 people are the ones that we're talking about here. Some of
2 them might have had the vehicle fail previously and some of
3 them have knowledge that the vehicle's just not running
4 right.

5 CHAIR LAMARE: Thank you. Mr. Nickey?

6 MEMBER NICKEY: Just for clarification, the
7 requirements to do Smog Check for either a test-only or a
8 test-and-repair equipment-wise, license-wise, technician-
9 wise are exactly the same, so I would like to know in what
10 way a test-and-repair is quote/unquote *better equipped* to
11 do a Smog Check than a test-only.

12 MR. ERVINE: Do you have a lab scope in your
13 shop?

14 MEMBER NICKEY: Yes, but I'm not required to, but
15 I can't use it.

16 MR. ERVINE: You're not required to have a lab
17 scope.

18 MEMBER NICKEY: I have one.

19 MR. ERVINE: Do you have an oscilloscope, an
20 engine analyzer?

21 MEMBER NICKEY: No, but that's not required for
22 Smog Check.

23 MR. ERVINE: Yes, it is.

24
25

1 MEMBER NICKEY: It's required for test-and-
2 repair, it's not required for Smog Check, but for the test
3 it's not required, for repair it is. I don't do repair.
4 But we're talking about just the test process, not test-
5 and-repair, just the testing.

6 MR. ERVINE: No, we're talking about equipment.

7 MEMBER NICKEY: No.

8 MR. ERVINE: The diagnostic equipment.

9 MEMBER NICKEY: No. We're talking about the
10 customer comes in for a Smog Check, what is required for a
11 smog test/check. Oscilloscope is not required. I have the
12 same equipment that every other shop does, but we don't do
13 repair so we're not required to have repair equipment.

14 MR. ERVINE: In order to be a test-and-repair
15 facility and to test vehicles, I have to have an
16 oscilloscope, I have to have a lab scope, I have to have a
17 scanner, I have to have a number of other pieces of
18 equipment that are not required at a test-only. The
19 equipment that I have aside from my dynamometer is probably
20 in excess of another \$60-80,000 in equipment that is
21 required by Bureau of Automotive Repair in order for me to
22 be a test-and-repair facility.

23 MEMBER NICKEY: For me to conduct a test and for
24 you to conduct a test requires the exact same equipment.
25

1 We're not talking about repair equipment, we're talking
2 about just the customer's perception of what it takes to
3 test his vehicle. Pass/fail certificate, no certificate,
4 that's it.

5 CHAIR LAMARE: All right.

6 MR. ERVINE: You're not -

7 CHAIR LAMARE: That's enough, Ervine.

8 MR. ERVINE: Okay.

9 CHAIR LAMARE: Thank you for your presentation.
10 Are there any comments or questions? Marty.

11 MR. GUNN: Marty Gunn, Bureau of Automotive
12 Repair. Just a point of clarification. A vehicle that's
13 directed to test-only, if they choose to go to a test-and-
14 repair station because maybe they suspect their vehicle is
15 going to fail, and they were to fail an official pre-
16 inspection, they could use that official pre-inspection
17 failure to qualify for CAP repairs.

18 CHAIR LAMARE: Is that right?

19 MR. GUNN: They would ultimately have to go to
20 test-only for certification, but yes, they could.

21 MEMBER HISSERICH: Maybe I could ask a question
22 for clarification.

23 CHAIR LAMARE: Mr. Hisserich.

1 MEMBER HISSERICH: Just to be clear. My daughter
2 has an '87 Volvo. It went to a test-only recently, was
3 directed there, failed the test. She just went to the
4 mechanic that she's used for years to get it fixed and I
5 think she spent something like \$580 and she has yet to take
6 it back because she works and she's got to wait till a
7 Saturday to take it back for the test-only. I don't think
8 it was clear to her that there was some other place that
9 she was supposed to go or whether she would have, I don't
10 know, would she have qualified for CAP? I mean, she does
11 work, she makes money. I'm not quite clear on what step
12 would not have been taken in there.

14 MR. GUNN: Once you fail an official pre-
15 inspection or a certification mode test, you can apply for
16 CAP and the -

17 MEMBER HISSERICH: Should she have gone then to a
18 Gold Shield station to get it repaired?

19 MR. GUNN: The application will say, you know,
20 don't do anything until you get - you hear back from us,
21 whether we send you a letter of eligibility, and the letter
22 of eligibility will direct you to go only to a contracted
23 Gold Shield station.

24 MEMBER HISSERICH: Yeah, well, I guess somewhere
25 in there it wasn't clear to her where she was supposed to

1 go. She took it to the mechanic she always goes to, who is
2 not a, you know, he's just a mechanic for Volvos, and I
3 just wondered whether the communication was clear enough to
4 her about where she was supposed to go. Okay.

5 CHAIR LAMARE: Okay. Is that it? Are there
6 other report topics that we need to discuss today? No?
7 And then one - oh, Charlie.

8 (Tape Two, Side A)

9 - o0o -

10
11 MR. CARLISLE: - so I will get more information
12 on that.

13 We've also requested updates on remote sensing
14 and fuel evaporative testing from ARB and BAR, and Sylvia
15 from the ARB did comment that they were going to present on
16 that next month, so that will be upcoming.

17 Also, I should mention that there is some
18 conflict, if you will, for the meeting room at the next
19 meeting, I was just notified this morning, so we may have
20 to change either meeting rooms or meeting dates. I will
21 advise the Committee as soon as I get the information with
22 regard to that. There may be another meeting room in this
23 building we can use, so I don't have all the information on
24 that yet.

25 CHAIR LAMARE: Questions, comments? Yes.

1 MEMBER HISSERICH: With regard to Mr. Peters'
2 observation, it is a little insulting. I didn't say that I
3 took it there, I said my daughter took it to the place. I
4 thought my comment was primarily to do with, you know, her
5 knowledge of Gold Shield stations and knowledge of where to
6 go to get the appropriate repairs made.

7 And then just on your point, Rocky, you know, I
8 read those articles, both Dr. Peters and Dr. Froyns
9 (phonetic) at two respective universities down there. I
10 happen to know both of those people and if there's anything
11 we can do, particularly Dr. Peters who's in an office right
12 near mine, if there's anything we can do to be of
13 assistance in getting some of that information, because
14 those asthma studies and those studies about proximity to
15 freeways and so on are quite interesting, so if I can be of
16 help, let me know.

17
18 MR. CARLISLE: Oh, that would be great.

19 CHAIR LAMARE: Okay, any other comments by
20 Committee members on future agenda items? Yeah, Bob
21 Pearman.

22 MEMBER PEARMAN: Oh, just that I just want to
23 confirm, Rocky, AQMD still plans to do that remote sensing
24 test in October in the Los Angeles area, because I plan to
25 try and attend it if I could.

1 MR. CARLISLE: Yes, I did follow up on that.
2 That is actually not AQMD that Dr. Steadman is doing that
3 study for, it's actually the Coordinating Research Council,
4 or CRC, and so yes, that is still going to take place in
5 October. I still plan to come down. I may have to change
6 the date, I have another little conflict, but I still plan
7 to be there either one or two days because I am going to
8 videotape some of that for a presentation to the Committee.
9

10 MEMBER HISSERICH: Excuse me, if I may. Which
11 days were you planning? I've got it noted here, it's the
12 week of the 17th here at the southbound La Brea ramp, I
13 think.

14 MR. CARLISLE: Correct. I'm shooting probably
15 for the 20th, I think that's Friday?

16 MEMBER HISSERICH: Yeah, that's Thursday, the
17 20th is Thursday.

18 MR. CARLISLE: Okay, either the 20th or the 21st,
19 I've still got to coordinate it.

20 MEMBER HISSERICH: Maybe you'll let us know.

21 MR. CARLISLE: Yes.

22 CHAIR LAMARE: Okay. There are a couple of
23 things that I would like to see emerging more for IMRC.
24 One is the participation of the air districts, having an
25 engagement with the air districts in some way so that

1 they're here at our meeting, that's always very helpful.
2 And as you pointed out, the South Coast Air Quality
3 Management District is doing an off-cycle vehicle repair
4 and vehicle scrappage program, I believe starting up fairly
5 soon, and I think the Committee could benefit from learning
6 along with the district what they're learning from that and
7 what kind of data they're using to design their program.

8 Secondly, I'm aware that the state is preparing a
9 climate action report, that the climate action report is
10 designed to recommend new policies and programs to reduce
11 greenhouse gas emissions to targets established by the
12 Governor's Executive Order of June 5th, 2005; that the
13 climate action report will be coming out in January. While
14 I have not seen anything in the deliberations to date that
15 would address how Smog Check might be changed or updated or
16 added to in order to reduce greenhouse gas, there's one
17 item there which has to do with leaks from air conditioning
18 units in vehicles that may be very relevant, and so, I
19 don't know when the timing is, but I would like to maybe
20 hear from ARB at some future date how the climate action
21 team report on greenhouse gas emission reduction programs
22 might affect the Smog Check Program and what we might
23 achieve in that program to help reduce greenhouse gases.

24 Comments, other comments? Okay.

1 those services, not required to follow procedures have been
2 doing repairs for the public and I believe causing very
3 significant cost to the public and lack of performance in
4 the program, so if my comments were accepted as being
5 adversarial, that was not my purpose. My purpose was to
6 indicate that I felt that's a very important issue and I
7 think a very important issue for the Committee to consider
8 providing support for additional compliance with the rules
9 that in fact repairs are required to be when they're done
10 for money are required to be done in a licensed station by
11 a licensed person. So I wish to apologize if my comments
12 were accepted as being adversarial to a member of the
13 Committee, that was not my purpose.
14

15 CHAIR LAMARE: Thank you for your apology, and
16 Mr. Peters, before you arrived today that issue was raised
17 before the Committee and there was a suggestion made of how
18 to address the problem of repairs being done by unlicensed
19 repair shops, so we have been thinking about it and
20 appreciate your adding more comment to that.
21

22 Randy?

23 MR. WARD: Madam Chair and Committee, Randall
24 Ward, Executive Director of the California Emissions
25 Testing Industries Association. I must have got enough
sleep last night because I'm verbose today.

1 Under the umbrella of issues the Committee might
2 want either presentations on or additional information on
3 that relate to consumer issues, and think of this in the
4 context of government changes in incremental steps
5 according to Mr. Valdalski at Berkeley and we probably have
6 some opportunities here, and under the DMV's
7 responsibilities, clearly you've enunciated one today
8 pretty clearly about the descriptions or the requirements
9 of someone getting on a Smog Check, the information
10 associated with Smog Check and how loud the printing is for
11 a test-only referral, et cetera.

13 But an aside to that to which I think is also
14 particularly important, and this relates to consumer
15 convenience, is that every Smog Check station, test-and-
16 repair and/or test-only, can register that individual's
17 vehicle right at the time they get a Smog Check, and I
18 don't know if you were aware of that or not, and it's
19 clearly a convenience. If the consumer doesn't want to
20 take the time to wait in a DMV line or they are at the end
21 of their 90-day cycle and they're late and so the mailing
22 is something that they feel is a conflict in meeting their
23 obligation for registration, they can, if they have a Smog
24 Check station that's done the test that is equipped to do
25 it, get that renewal taken care of there. Smog Check

1 station makes whatever they charge and an extra five or ten
2 bucks over and above what they would have been charged
3 otherwise had they done it through the DMV, but that's the
4 consumer's option, it's a convenience issue.

5 The DMV has hoops that are beyond belief to go
6 into the business. Now, you know, one would think, and of
7 course this is my simple mind, that DMV would think that
8 would save them a lot of money and would want the Smog
9 Check stations processing those renewals.

10 Secondly, under the Consumer Information Center
11 within the Department of Consumer Affairs, we talked about
12 problems with finding test-onlys. The referral system is
13 based on zip codes. It's a very inadequate and antiquated
14 system, so what happens is, this is through, I believe it's
15 SBC, you put your zip code in and it gives you locations
16 within that zip code. Well, that sounds fine unless you
17 happen to be across the street in a neighboring zip code
18 and a huge percent of your business comes from a
19 neighboring zip code. They can be directing vehicles ten
20 miles away from the point of origin. Well, given problems
21 with emissions associated with additional miles, certainly
22 the costs associated now with the additional gallons of
23 gasoline, I would think that that would be a concern in
24
25

1 addition to and more importantly than the consumer
2 inconvenience.

3 So I think those are incremental issues that the
4 Committee could potentially get some information on and do
5 something about. Thank you, Madam Chair.

6 CHAIR LAMARE: Thank you. Please identify
7 yourself for the record.

8 MR. CONWAY: John Conway, Menlo Park Chevron,
9 also a director of CSARA. Rocky, could you pass these out,
10 please?

11 Committee members, as we go through this
12 cumbersome process and complex question about Smog Check, I
13 come to you this morning about could we try and look for a
14 financial sollution here, some that might be feasible and
15 fair and equitable to all?

16 The chart that I just passed out, the left-hand
17 column is 2004 and the right-hand column is 2005. For me
18 as a businessman, my revenue stream is drying up. I own a
19 service station with auto repair where the grease and
20 gasoline spikes, my volume has dropped off about 50
21 percent, and you can see by this chart my revenue stream
22 for Smog Check is dropping off.

23 You know, as we go through the legislative
24 process with AB578, this bill is now a two-year process or
25

1 a two-year bill. I don't know of a lot of shop owners like
2 myself who are operating at a break even point or less can
3 last another two years, so my question, you know, to the
4 Committee members and members of the ARB and the BAR, we
5 need some financial relief here as shop owners. Can the
6 BAR or the ARB, this is my question to you people this
7 morning, come up with a fair and equitable program for
8 redirection of vehicles that is fair and equitable for
9 test-only and test-and-repair stations? I'm very concerned
10 about the automotive industry in the State of California
11 and shop owners, and I don't know if this is feasible or
12 not, but that's my question to you, but I'm looking for a
13 financial situation here. You know, I've invested a
14 million dollars in my service station and operating at
15 break even does not hack it and I'm looking for a financial
16 question here or a sollution or a feasibility, not how
17 we're going to fix the Smog Check Program, it's very
18 complex.
19

20 Members of ARB or BAR, can you in conjunction
21 working with one another come up with something that with
22 the redirection of vehicles that is fair for test-only and
23 test-and-repair so we can fix and give some financial
24 relief to shop owners in the State of California?
25

1 CHAIR LAMARE: Thank you. Comments or questions?
2 Jeffrey.

3 MEMBER WILLIAMS: Could I ask a question about
4 the chart here? I'd be curious also to see how many
5 repairs you did in both periods, so as to understand
6 whether it's because of the tests being directed or another
7 shift in business.

8 MR. CONWAY: I think it's a major shift in
9 business.
10

11 CHAIR LAMARE: Does this chart reflect only smog
12 tests fees?

13 MR. CONWAY: This is smog tests only, yeah.

14 CHAIR LAMARE: Test fees?

15 MR. CONWAY: Testing only, yes.

16 MEMBER WILLIAMS: (inaudible) on this chart but
17 the equivalent plot of number of vehicles repaired would be
18 interesting, too.

19 MR. CONWAY: I could culminate that data and send
20 it to you.

21 MEMBER WILLIAMS: I'd like to see that.

22 MR. CONWAY: Okay.

23 CHAIR LAMARE: Thank you. Roger.

24 MEMBER NICKEY: As an owner and operator of a
25 test-only, if I charted my business for this same period of

1 time, I would probably have the same curve and just about
2 the same reduction in testing, because of the reduction in
3 the number of tests after January 1 when the state reduced
4 the number of cars subject to test. In other words, when
5 they exempted the first four years for change of ownership
6 and the first six years for renewal. The graph if I were
7 to graph my own business would look just about like this
8 and the losses in tests would be very close.

9
10 CHAIR LAMARE: Thank you. John, do you want to
11 respond to that?

12 MR. CONWAY: No, I just -

13 CHAIR LAMARE: And ID yourself for the record,
14 please.

15 MR. CONWAY: John Conway, Menlo Park Chevron.
16 I'm just going to ask a question.

17 CHAIR LAMARE: You cannot ask questions to the
18 agencies here as a participant in the process.

19 MR. CONWAY: Okay. Do they have the authority to
20 redirect vehicles, ARB and BAR, do they have - are they the
21 ones that have the authority for that?

22 CHAIR LAMARE: Okay, let me ask that question to
23 them.

24 MR. CONWAY: Okay.
25

1 CHAIR LAMARE: Rocky, can I ask that question to
2 the Bureau at this point?

3 MR. CARLISLE: Certainly.

4 CHAIR LAMARE: Does the Bureau have the
5 discretion to change the direction of vehicles from test-
6 only to test-and-repair?

7 Mr. Conway, could you step down now?

8 And Sylvia, do you want to address this, too? I
9 don't know, maybe Sylvia's the more knowledgeable on this
10 particular issue.

11 MS. MORROW: Sylvia Morrow, California Air
12 Resources Board. The current direction to test-only is a
13 SIP commitment that we have made, and right now we are
14 meeting that SIP commitment. As ARB, you know, that would
15 be a policy decision, I don't think I can answer that
16 question right now.

17 But just a reminder. The Smog Check Program is
18 for emission benefits, and emission benefits come from
19 repairing failed vehicles, emission benefits do not come
20 from testing vehicles. Thank you.

21 CHAIR LAMARE: Okay. So what Sylvia is saying
22 is, there is a commitment from the State of California to
23 the federal government in what's called our State
24 Implementation Plan, which is a federal document that
25

1 explains how the state will meet its requirements under the
2 Federal Clean Air Act. And so, when she says that ARB has
3 a SIP commitment to the test-only direction, this is in the
4 realm of an administrative agreement between the state and
5 the federal government that falls under the Federal Clean
6 Air Act. Is that correct, Sylvia? She's nodding her head.
7 Thank you.

8 Did you want to add anything from the Bureau?

9 MR. COPPAGE: Alan Coppage, Bureau of Automotive
10 Repair. I will concur, that is a very accurate answer to
11 the discretion that the Bureau is given through the State
12 Implementation Plan to direct those vehicles to test-only.
13

14 CHAIR LAMARE: Thank you. Okay, starting in the
15 front row on the right, on my right. And this time I want
16 to hear your name very clearly.

17 MR. NOBRIGA: Larry Nobriga.

18 CHAIR LAMARE: Larry Nobriga. Larry Obriga.

19 MR. NOBRIGA: Nobriga.

20 CHAIR LAMARE: Nobriga, thank you.

21 MR. NOBRIGA: Yeah. And that's Automotive
22 Service Councils is who I represent.
23

24 As Ms. Morrow said, the Smog Check Program is
25 there so we can repair failed vehicles and that's what
gives us a reduction. I tend to agree with that, but by

1 the same token, if vehicles are not tested and found to be
2 dirty, they are not going to be repaired.

3 So I keep hearing numbers about cost per ton of
4 reduction. '68 through '75 automobiles are exempt. Very
5 dirty vehicles, and they came with exhaust emission
6 controls from the factory nationwide.

7 I very easily put 40-50,000 miles a year on a
8 car, so by the time that car gets its first Smog Check,
9 okay, it can well have 250-300,000 miles on it. It's
10 ludicrous. And that has nothing to do with BAR or ARB;
11 those exemptions are 100 percent political, okay, and I
12 understand that, but we need to get rid of exemptions on
13 the lower end and the top end, and that is the only way
14 you're going to clean your air and it is the only way you
15 will have enough business for everybody.

17 CHAIR LAMARE: Thank you for your comment. Bud,
18 Randy, Chris, Charlie. Anyone else? Then we're going to
19 be really hungry and we're not going to want to really
20 listen to anyone.

21 MR. RICE: Thank you, Committee. Bud Rice with
22 Quality Tune-Up Shops. I do have some open comments that I
23 wanted to hold for the public comment things, but -

24 CHAIR LAMARE: Okay, we're into that, yeah.
25

1 MR. RICE: Okay. Mr. Hisserich, I don't know if
2 you remember this, but I was up testifying a few meetings
3 ago and it was almost like the lightbulb went off from my
4 perspective and your comment back was, *Do I understand this*
5 *right?* And it was based around the fact that because of
6 the exemptions that have been given and the amount of
7 percentages of cars that have been directed to test-only, I
8 understand Sylvia's comment that there's commitments to the
9 SIP, but the application of how things are done I think it
10 where there's some latitude here.

12 In terms of 36 percent of the cars are being
13 directed to test-only, it's against what number? And this
14 is where I think the lightbulb kind of went off. If it was
15 against a restricted pool and those numbers were now being
16 directed to test-only, that would be a far different number
17 than 36 percent of the cars of the entire pool, which is
18 today the way it's still being done. So guys like myself
19 or, you know, other guys in the audience here that want to
20 operate test-and-repair stations, huge numbers of cars have
21 been moved over to test-only just as a result of that
22 percentage being worked against the entire pool instead of
23 the restricted pool, which is of the cars that are really
24 eligible for Smog Check. Thank you.

25 CHAIR LAMARE: Thank you. Randy.

1 MR. WARD: Randall Ward, California Emissions
2 Testing Industries Association. There were during the
3 AB578 process a number of misrepresentations made, and one
4 of the loudest misrepresentations was that test-and-repair
5 facilities in northern California were misled by the Bureau
6 with regard to the number of vehicles that would be subject
7 to a Smog Check that they could do. We're talking about
8 everything outside vehicles directed to test-only. And
9 your executive officer at the time conducted four workshops
10 as a BAR employee and graphically displayed the numbers to
11 everyone that attended those workshops, and I don't know of
12 one of those workshops that didn't have more than - or less
13 than 150 shop owners at the workshop, so they were very
14 well attended.

16 There was a concerted effort because the Bureau
17 had the experience of launching a program back in '98
18 throughout the other enhanced areas of the state, so it
19 tip-toed. It was very cautious, very conservative and very
20 open with those numbers.

21 So I would simply suggest that there is an
22 element here of what constitutes an individual's ability to
23 make a business decision and a wise business decision.
24 Thank you.

25 CHAIR LAMARE: Thank you. Who's next? Chris.

1 MR. ERVINE: Chris Ervine with STARS. In
2 response to Mr. Nickey's comment about the amount of losses
3 that he's sustained since the exemptions of six years and
4 newer vehicles, I can go back to 1997 and map my smogs from
5 that point forward, and prior to the exemption of six years
6 and newer vehicles when it was increased from 15 percent to
7 the so-called 36 percent, I went from twelve smogs a day to
8 less than one on the average. Some days we do two, some
9 days we don't do any, but there was a huge drop, and this
10 is prior to the -

11
12 CHAIR LAMARE: The incidents of the last year,
13 yeah.

14 MR. ERVINE: So there was a huge reduction.
15 Now, we're talking about just in initial Smog
16 Checks. That also affects the rest of my business, because
17 the reason that I went into the Smog Check Program in the
18 first place was, I wanted to get those cars in my door, I
19 wanted to look at those cars while we were smogging them
20 and I wanted to find other work that needed to be done so
21 that we could tell the consumer about it and create
22 business for our back room. Because of the redirection of
23 vehicles, it's also hurt my back room, and we're down two
24 technicians from where we were four years ago, and in
25 contribute it all to the Smog Check Program.

1 The other thing is that the State of California,
2 from Air Resources Board they were saying that there's a
3 SIP out there. Well, nobody in the industry heard anything
4 about the SIP in 1997 when this was presented to us. All
5 we heard about was 15 percent of the fleet was going to be
6 directed to test-only stations. There was never anything
7 ever mentioned about an increase up to 36 percent, and the
8 fuzzy math that Bureau of Automotive Repair uses to come up
9 with their 15 percent was never disclosed. And if you read
10 the actual bill in there, it's 15 percent of vehicles
11 available for biennial testing. Six years and newer and
12 '75 and older are not available for biennial testing.

14 So the Bureau of Automotive Repair is skewing the
15 numbers here, they're playing with numbers, and they're
16 directing and just an awful amount of vehicles to test-only
17 that don't belong there.

18 CHAIR LAMARE: Thank you, Chris. Charlie?

19 MR. PETERS: Yes, Madam Chair and Committee, my
20 name is Charlie Peters, Clean Air Performance
21 Professionals, we represent motorists.

22 I had the pleasure of commenting a little bit
23 previously and you indicated that my comments had been
24 previously discussed and I had missed that. I'd like to
25 add just a taste to that by saying that some time ago,

1 several years ago I heard a conversation on KFI Los Angeles
2 where there was two guys on there and they were making a
3 real effort to get the public to call in and tell them how
4 they were able to cheat the program, that the people in the
5 program were just a bunch of crooks. You give them a
6 little bit of money and they'll do anything you want,
7 whatever, and the public was calling in and saying, no, not
8 correct. And the conclusion that came out of the program
9 was that in fact if you wanted a fraudulent certificate, a
10 certificate on a car that should not pass, you take it to a
11 station that's not licensed. They'll take the car in,
12 they'll get it certified for you never getting it fixed by
13 working a deal with somebody who works at a station.

15 And I have very strongly supported management of
16 that. It's not necessary to go put a bunch of people in
17 jail, but it certainly can put people on notice and change
18 behaviors, and I certainly would love to make a
19 presentation on that or certainly at least love for the
20 Committee to look into that, because I believe that that is
21 a huge significant opportunity to improve the performance
22 of the program by addressing that issue of unlicensed
23 process.

25 In comment to what was just mentioned, I have
here a May 1994 national magazine, an editorial by Gil

1 Barnes, and I'd give you a little snippet out of that.
2 *Clearly demonstrating their success was Governor Wilson's*
3 *signing of a compromise regulatory package on March 31st,*
4 *ending the state's year-long feud with the EPA, allowing*
5 *the auto industry to maintain jobs that would have been*
6 *lost under totally centralized testing system. Under the*
7 *compromise, existing locations will be allowed to test 70*
8 *percent of the cars checked in 1995 when the law takes*
9 *effect, and at least 40 percent of the cars tested each of*
10 *the next two years. The remaining cars will be tested by*
11 *new larger centralized examination facilities not yet*
12 *built. The new law will run for three years, after which*
13 *arrangements will be reviewed.*

15 So in fact, the awareness that this was a
16 significant shift to dividing the program. In fact, the
17 contractors did not successfully get their program
18 implemented, and the perceptions here that there should be
19 a big debate between test-only and test-and-repair, I
20 think, is very counterproductive to solving the problems.
21 We need to discuss issues about unlicensed repairs, about
22 seeing that what's broken gets fixed and we can do
23 something to a little better serve the public. And the
24 awareness that there was a significant elimination from
25

1 test-and-repair goes clear back to '94 and that information
2 was disseminated all over the country.

3 CHAIR LAMARE: Thank you. So we're getting ready
4 to wrap up now, and do any of the Committee members have
5 any final comments? Rocky?

6 MR. CARLISLE: Two things. I've put up on your
7 screen for clarification sake 44010.5 of the Health and
8 Safety Code. That outlines what vehicles are subject to
9 direction to test-only, and it's minimum of 15 percent of
10 the vehicles or the portion of the total state vehicle
11 fleet consisting of vehicles subject to the inspection each
12 year in the biennial program that are registered in the
13 enhanced area. And it was a legal opinion, so the vehicles
14 whether they're exempt or not, legal determined that those
15 were in fact part of that program, okay. That was one
16 issue.

17
18 But another issue when were talking about future
19 items and one that I've talked to at least Committee member
20 about was the fact that we're looking at some of these
21 issues that have been on the table for quite some time and
22 we're looking very short-term, you know, what should we do
23 next year, maybe the next year after, but my thought was
24 that, if we expect the industry to continue to participate
25 in the program down the road, which I'm thinking we do

1 because we need the repairs, my suggestion was to look out
2 five years, maybe even ten years, and say, okay, what are
3 the manufacturers planning to build? What are the
4 potential for on-board emission control devices such as OBD
5 II and subsequent improvements, like OBD III they're
6 already talking about or they've actually got in
7 production, I'm not sure which. But to look out five years
8 down the road so that the industry has an opportunity to
9 make an intelligent business decision.

10
11 The idea that we can come up with a program and
12 in six months say, *look buys, you need to drop another 50K,*
13 there's really a lot of unknowns and that's a lot of money
14 just to plop down on some equipment they don't really know
15 how it's going to evolve. So I was just thinking that
16 maybe we could form a subcommittee, it may be at the next
17 meeting, to look into the future and make some long-terms
18 planning suggestions to the Legislature. If that makes any
19 sense to anybody other than me.

20 CHAIR LAMARE: Yeah.

21 MEMBER NICKEY: Could I just ask a short
22 question?

23 CHAIR LAMARE: Yes, and Mr. Nickey has a
24 question.
25

1 MEMBER NICKEY: Chris, I'd just like to ask you
2 if you would acknowledge that there are other things that
3 affect the number of Smog Checks you do, such as increased
4 competition in the area, your pricing, your hours of
5 operation, anything else that might have changed in your
6 business besides the test-only program?

7 MR. ERVINE: Chris Ervine, STARS. We have
8 lowered our prices on tests to where we're very competitive
9 and lower than the test-onlys.

10 MEMBER NICKEY: What is your price?

11 MR. ERVINE: We've lowered our price.

12 MEMBER NICKEY: No, I said what is your price?

13 MR. ERVINE: Thirty-nine, ninety-five.

14 MEMBER NICKEY: That's a fair price.

15 MR. ERVINE: Most of the Smog Checks are anywhere
16 from about 39.95 clear up to 69.95 for the test-onlys.

17 As far as competition is concerned, the only
18 competition we got is test-onlys, there aren't that many
19 more shops and probably fewer shops in the test-and-repair
20 industry than there were before. And test-onlys aren't
21 really competition because the state is telling our
22 customers that they have to go there, so that's not fair
23 competition.
24
25

1 CHAIR LAMARE: Thank you. So I want to thank
2 everyone for their participation today and for being here
3 and for being on the web and Doug Lawson in Colorado, and
4 adjourn the meeting for today. Thank you.

5 (Meeting Adjourned)

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This is to certify that I, TERRI HARPER,
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Dated October 1, 2005.

TERRI HARPER, Lead Transcriber
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